

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

BANCO SAN JUAN INTERNACIONAL, INC.,

Plaintiff,

v.

THE FEDERAL RESERVE BANK OF NEW YORK
AND THE BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

Defendants.

Case No. 1:23-cv-06414-JGK

ATTESTATION OF AML RIGHTSOURCE LLC

AML RIGHTSOURCE AUDIT REPORT ATTESTATION

This letter is to certify the findings of AML RightSource LLC's Audit Reports of Banco San Juan Internacional's 352 Independent Audits performed by AML RightSource, LLC for the period of October 1, 2020 through September 30, 2021, and again for the period of October 1, 2021 through September 30, 2022.

1. AML RightSource, LLC ("AMLRS") is the leader in Bank Secrecy Act ("BSA") and Anti-Money Laundering ("AML") compliance solutions. AMLRS offers highly trained BSA/AML professionals to support financial institutions in meeting day-to-day compliance requirements through transaction monitoring, alert backlog management, and enhanced due diligence ("EDD") reviews. AMLRS also employs a global financial crime advisory ("FCA") team with decades of industry experience. Our FCA team offers a range of services, including financial crime model implementation, validation and optimization, independent program review, enterprise-wide risk assessment, training, policy and procedure enhancement, and general advisory services.

2. AML RightSource ("AMLRS") was engaged to conduct a 352 Independent Audit of Banco San Juan Internacional's ("BSJI" or "the Bank") Bank Secrecy Act ("BSA") / Anti-Money Laundering ("AML"), and Office of Foreign Assets Control ("OFAC" or "Sanctions") Compliance Program for the period of October 1, 2020 through September 30, 2021, and again for the period of October 1, 2021 through September 30, 2022.

3. In both of AMLRS's Audit Reports, we found that BSJI's Compliance Programs were satisfactory, and concluded that they were "comprehensive and effective in implementing, in

general, the current BSA/AML and OFAC regulatory requirements and guidance.” We stand by those conclusions.

4. I understand from BSJI that the Federal Reserve Bank of New York (“FRBNY”) has nonetheless expressed concerns about unidentified “high-risk” transactions involving one or more unidentified retail customers of BSJI. Accordingly, at BSJI’s request, I reviewed AMLRS’s workpapers and confirm that my team sampled many of BSJI’s customers’ transactions, including transactions of seven of the Bank’s remaining commercial, high-risk customers.

5. In this regard, I confirm that, as part of our audit procedures, AMLRS thoroughly assessed the Bank’s monitoring and due diligence practices pertaining to these customers. Our findings confirm that although the high-risk customers identified are associated with jurisdictions and trade practices that inherently pose elevated risks, due diligence and documentary evidence did not indicate these entities were “shell companies”.

6. Further, the AMLRS audits validated that the Bank’s monitoring and due diligence procedures have been appropriately implemented and are risk-based. The Bank has demonstrated a robust framework for monitoring and managing the inherent risks associated with these customers. Our review encompassed the Bank’s policies, procedures, and documentation related to customer due diligence, ongoing monitoring, and risk assessment of the Banks high risk customers.

7. AMLRS has ascertained that the Bank’s approach aligns with industry best practices and regulatory requirements. In conclusion, our audits confirm that the Bank has implemented effective measures to identify and manage high-risk customers, and that these efforts

are commensurate with the level of risk presented by the customers' jurisdictions and trade practices.

8. While AMLRS found BSJI's compliance program effective in both of our Audit Reports, BSJI has informed us that, should the FRBNY provide the specifics it has requested about any particular transaction(s) or customer(s) that would enable us to perform a further targeted analysis, BSJI would readily consent to retaining AMLRS for such further analysis, with the understanding that the FRBNY would then reconsider its current posture toward BSJI in light of the actions taken.

By signing below, I confirm that (i) I am an authorized signatory of AMLRS; (ii) I have read and understand this Attestation; and (iii) the above is true and correct to the best of my personal knowledge and experience.

Executed on July 21, 2023

DocuSigned by:

Chuck Taylor

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Chuck Taylor, EVP Head of Financial Crimes Advisory